



JPRS Report—

East Asia

Southeast Asia
Vietnam: TAP CHI CONG SAN
No 5, May 1991

East Asia
Southeast Asia
Vietnam: TAP CHI CONG SAN
No 5, May 1991

JPRS-ITC-91-010

CONTENTS

15 October 1991

[This report is a translation of the table of contents and selected articles from the monthly theoretical and political journal of the Vietnam Communist Party published in Hanoi. Notations in the table of contents indicate articles previously published or not translated.]

Advancing to the Seventh Congress

Ho Chi Minh's Ideas on the Path to Socialism in Vietnam

<i>(Song Thanh, published in FBIS-EAS-91-130, 8 Jul 91 pp 67-70)</i>	1
Why Do We Take the Path to Socialism? /Thien Nhan/	1
Socialism—Means or End? Half-Way or Gradually? /Nguyen Duc Bach/	3
There Is No Opposition /Duc Vuong; not translated/	5
April Thoughts /Pham Tien Duat; not translated/	5

Contribute Ideas To Building the Platform and Strategy

Discussion on the Relationship Between Economics and Culture /Not translated/	6
Making Clear Ethnic Minority Roles in the Party Program /Nguyen Van Huy/	6
Issues Concerning the Economic Structure /Nguyen Van Ky/	7
The Important Position of the Maritime Trade in the Economic and Social Development Strategy /Tran Duc Lan and Le Tinh; not translated/	9

Research-Exchange of Opinions

Research

The Problem of a Unified National Front in the Vietnamese Revolution /Nguyen Thanh; not translated/	10
Health Services in a Market Economy /Truong Cong Can; not translated/	10

Exchange of Opinions

Economics and Class in the Transitional Period to Socialism /Doan Trong Nha; not translated/	10
---	----

Scientific Debate-Realities

Seminar Organized by the Thanh Hoa Provincial CPV Committee and TAP CHI CONG SAN

The Bim Son Cement Plant and the Thanh Hoa Federated Tobacco Enterprise—Roles and Autonomy in Business	11
Closing Speech by Comrade Ha Xuan Truong	15

Investigation

Nghe Tinh—Lessons Learned During the Struggle Against Corruption /Nhi Le and Vo Dang Thien; not translated/	17
--	----

Activities and Ideology

Don't Imagine That That Is the Truth /Binh Giang; not translated/	18
--	----

Letters to the Editorial Staff

Should We Consider Marxism-Leninism Our Ideological Foundation? /Do Minh/	19
--	----

The World: Issues and Events

The Country on the Renovation Path / <i>Not translated</i> /	21
On the New International Order / <i>Nguyen Trong Thu; not translated</i> /	21

Ho Chi Minh's Ideas on the Path to Socialism in Vietnam

00000000 Hanoi TAP CHI CONG SAN in Vietnamese No 5, May 91 pp 2-6

[Article by Song Thanh; published in FBIS-EAS-91-130, 8 Jul 91 pp 67-70]

Why Do We Take the Path to Socialism?

91JE00184 Hanoi TAP CHI CONG SAN in Vietnamese No 5, May 91 pp 7-10

[Article by Thien Nhan]

[Text] The path that we are taking was chosen a long time ago, when the Communist Party came into existence. More than a choice, the people of the entire country have followed this path for the past 16 years with reason and feeling and with confidence and hope. In order to choose and follow this path, the people have had to pay in blood and sweat, overcome many difficulties, and pass many tests. With respect to the people, it can be said that taking the socialist path is natural. It is a natural emotion.

But life is very complex, and history does not follow a straight path. The unexpected changes in many socialist countries, including the country once regarded as the bulwark of world revolution, and the difficulties that our country is encountering have given rise to doubts and worries and to different views on many important problems of the present situation and of the country. Of these, one view that deserves special attention is the view that because of the mistakes in socialist theory and the destruction of socialism in actual practice, the path that we chose and that we are presently taking is wrong.

In order to clarify this very important problem, a matter of great significance for the development of our country and the future of our nation is to have an attitude of scientific truth and explain the problems based on its theory and practice. At the same time, it will take time to see the internal logic of these disorderly phenomena and rapid collapses.

In the complex situation in which the world and Vietnam find themselves today, it is not easy to answer the above questions. Simply saying that this path is essential, that it is a law, and that we will eventually reach our goal will transform this into mystical predetermination at a time when real life is filled with the unexpected. We know that the "inevitable" does not exist in a pure form but is manifested and supplemented through the unexpected. The unexpected is not just an objective phenomenon. It also affects the development of things, particularly in human society.

Thus, in order to answer the question of why we are taking the socialist path in the present situation, I think four questions must be answered:

The first question: Something about which we have thought a great deal and about which we are very worried and which has had a great effect on our path is the break up of the socialist countries in Eastern Europe and the serious crisis in the Soviet Union. The burning question is: Has socialism become a "wrong historical experiment"? Or as Western thinkers and politicians say, "Has socialism come to an end? Has the final stage of communism begun?"

The past year has clearly shown us the real nature and causes of the changes in Eastern Europe. The reality is that this has changed the political and social system and the accepted social values, because the former political system has collapsed and those now in power are people who oppose the Communist Party and the workers. The Communist Parties in most of the East European countries have disbanded, or they have been greatly weakened politically. A number of countries have publicly announced that they will follow the capitalist path. Daily life is unstable and more difficult. There are many reasons, but the most important reason for the great changes in these countries is that the Communist Parties there do not have the strength to "navigate" in the storm. Because of this, they have allowed the opposition forces, with the help of the capitalist countries and the support of dissatisfied elements in society, to seize power quickly, which has amazed people both in and outside these countries.

In view of these political changes, what do we think about the "fate" of the socialism that we talk about so often? Three points may be mentioned:

First, during the 40-50 years that socialism has actually existed in the East European countries, there have been two sides to it: the achievements that have been scored, particularly on the social front, achievements that cannot be denied, and the mistakes and crises that must be overcome. In order to revive socialism, the Communist Parties in power there have put forth reforms and renovations and led the people in implementing these. But because of the mistakes made in leading these reforms and renovations, these parties have lost power to the opposition forces. Thus, this is the defeat of reform and renovation. It does not mean that socialism has collapsed.

Second, socialism in the East European countries was built using an outside model. This did not start from the actual conditions in each country. There was a lack of independence, and Marxist-Leninist theory was not applied creatively to socialism. Thus, even though socialist construction there achieved certain results, it could not avoid difficulties and crises, especially recently. This is the collapse of one socialist model that does not correctly reflect Marxist-Leninist theory. This certainly doesn't mean that socialist theory is outmoded.

Third, socialism entered the lives of the laboring people of Eastern Europe through the benefits that it brought them. Today, following the political changes, the people

there are seeing that by following the capitalist path, the previous achievements of the revolution are being lost, their interests are being encroached on, and social values are being overturned. Thus, in Eastern Europe, socialism is not a utopian theory. Within certain limits, it has taken root in the material and spiritual lives of the people. What is very clear is that even though they are experiencing a serious socioeconomic crisis, the majority of the Soviet people still favor socialism, as the recent referendum on maintaining a renovated Soviet Union showed.

The second question: Was the model wrong not just because of poor "construction" but also because the "design" was wrong? Or in other words, was the theoretical basis of socialism, that is, Marxism-Leninism, wrong? If socialist theory is wrong, there can't be socialism in reality.

There have been new sources of knowledge and a number of new economic and social theories. But for us, to date, in terms of a world view and methodology, there is still no theory that can replace or that is better than Marxist-Leninist theory. This is like a scientific and revolutionary entity. Even though it must be supplemented and developed in the face of the pressing requirements in order to answer the new problems posed by the present age, Marxism-Leninism is still of value in three spheres:

1. It is the ideological foundation of the working class, and it is the orthodox and guiding ideological system of socialist society. The essence of this ideological system is the elimination of the system of man exploiting and oppressing man and the construction of a new society from man and for man, a society in which man has been liberated, in which man can grow in all respects, and in which man is the center of economic and social life.

2. It is the theoretical and political foundation of the communist and workers' parties. Relying on Marxist-Leninist principles, these parties have creatively used and developed these principles in the specific historical conditions of their own countries in order to put forth programs, lines, and policies to build and defend socialism.

3. It is a system of scientific knowledge about such basic spheres as philosophy, economics, politics, and scientific communism. The basic point in this system of knowledge is knowledge concerning the world and world reform and the general laws concerning the mobilization and development of nature, society, and human thinking. Its real essence is that it has equipped man with a dialectical and scientific world view and methodology with which to examine phenomena and things and formulate ideas and actions.

This does not mean that we do not recognize the backward aspects and crisis of Marxist-Leninist theory, particularly the theory on socialism.

In its history, Marxism-Leninism has lagged behind and been in crisis in many periods. This was clearly the case at the beginning of socialist construction in the Soviet Union. At that time, because it was used in a dogmatic manner, socialist theory found itself in a crisis. But later on, it managed to overcome that thanks to the scientific creativity of Lenin. Starting from the historical reality of Russia at that time, he put forth other viewpoints that were in accord with the requirements of socialist construction in Russia. Those viewpoints were centralized in the new economic policy. According to Lenin, that was a fundamental change "in our views about socialism." Unfortunately, after Lenin died, those viewpoints were gradually forgotten. We now know what the consequences of that were.

Thus, Marxism-Leninism had been in crises before and managed to overcome them. Today, in the new situation, with a spirit of reviewing and renovating things, particularly renovating our theoretical thinking, Vietnam and the other socialist countries are striving to overcome socialism's crisis concerning theory and practice, resolutely protect and develop Marxism-Leninism, and continue to affirm and renovate socialist construction in our countries. Marxism-Leninism may be in a crisis because of dogmatic application, but it is not outmoded. For more than 100 years, Western scholars (including revolutionaries who have lost their sense of direction) have "proclaimed" that Marxism-Leninism is outmoded each time that it has encountered "rough weather." But many times, they have had to turn to Marxism-Leninism and use various theories such as the theory of convergence and people's capitalism in order to justify the fate of capitalism. The vitality of Marxism-Leninism is manifested in the advances made by human society, in its creativity and self-improvement in the struggle to constantly develop and selectively assimilate man's new sources of knowledge, and in the process of reviewing experiences and improving theory in the countries building socialism. Or stated another way, Marxism-Leninism is a social science whose principal arguments and basic way of viewing the historical process are truly scientific.

The third question: If socialism has reached a dead end, does that mean that capitalism will last forever, and must we take the capitalist path?

The first thing that must be said is that there have been times when we have misunderstood capitalism. We said that capitalism would collapse quickly. But we did not consider capitalism's ability to adjust itself or its suitability. We looked at things from just one side and simply contrasted capitalism with socialism. We did not see that socialism is just another type of society in substance, but it did not originate in a void but from what capitalism had created, which became the precondition for the birth of socialism.

Today, it must be admitted that modern capitalism has undergone changes and developed greatly as compared with before. In this process, there are things that Marx,

Engels, and Lenin did not discuss. We cannot fully understand the historical development of capitalist society if we rely only on the viewpoints concerning the dialectical relationship between the production forces and the production relationships and between the infrastructure and the superstructure and concerning the class struggle. In addition, we must also rely on such spheres as markets and democracy, the complexities of manpower and civil society, the division of labor, culture, efficiency, education, and so on. The relationships reflected by those spheres have become the conditions for ensuring scientific and technical progress and for improving the standard of living of people in society.

Looking at the changes made by modern capitalism with respect to the production forces, the production relationships, the economic structure, management methods, a number of social relationships, including the average standard of living of the people, and international relationships, we can see the following two things quite clearly:

On one hand, modern capitalism is still basically a state monopoly capitalism. The superiority of monopoly capital is still its fundamental point. Modern state monopoly capitalism is a complex web of multisector economic management systems that uses market management tools and that is based on international organizations and various forms of monopoly. It operates in conjunction with the macrocosmic management of the bourgeois state with respect to the economy in general. The basic nature of state monopoly capitalism has not changed. That is, its basic nature is still exploitation of the sources of labor and social resources with the aim of making as large a profit as possible. This has serious social consequences, the most striking of which is that the majority of the people are poor and oppressed and do not enjoy equal rights while a few enjoy great wealth and power.

On the other hand, given the logic of the irresistible objective growth of the production forces, modern capitalism is creating the factors of future society because of the degeneration of the function of capital, or because of the trend toward socialization of capital in accord with the need to socialize production and circulation. (Examples are the change in the system of share ownership, the expansion of the economic management function of the bourgeois state, the formation of relatively large numbers of cooperative enterprises by workers and state enterprises, and the general improvement in cultural, educational, and judicial standards.)

The above shows that the analyses and predictions by Marx, Engels, and Lenin on the nature and logic of the objective development of capitalism were fundamentally correct and scientific. Because of the development needs of the production forces, modern capitalism will, at some point, "shed its skin" in order to transform itself into a new society. Naturally, shifting to a new society requires the subjective factor of man. This is the revolution by the proletarian class. Socialism, as a society, is not that

different from capitalism. It has inherited and developed various factors in accord with it and created a new nature to liberate man, which is something that capitalism, no matter how it changes, cannot do.

The fourth question: Through contributing a broad range of ideas to the Draft Program on Socialist Construction in the Transitional Period, the entire party, the entire military, and all the people have clearly manifested a high degree of unanimity concerning the path to socialism. From where did this great unanimity come in view of the fact that the people's lives are still very difficult, we have only a number of the factors of socialism, there are many negative internal factors, and the complex changes occurring in the world are affecting us? Above all, it is because our people have lived under the yoke of feudal colonialism. They had been oppressed and exploited, and they clearly understood what an oppressive society was. Because of this, they had a great craving for liberation. In order to satisfy that craving, our people did not fear hardships or sacrifices. They waged a resolute struggle lasting for almost half a century against the French colonialists and the American imperialists. Second, during the past 16 years, since the entire country started on the path to socialism, the great majority of our people have enjoyed the initial fruits of socialist construction even though there are still difficulties. Third, even though we have had to pay a price for our successes and even though we are still groping for a model of socialism that can be built in Vietnam, because of our political awareness and our understanding of present trends, we have resolutely adhered to the socialist path that was chosen. Fourth, the renovation movement launched by the party several years ago has scored important initial results. This has given us the ability to find new ways to approach socialism and make the transition to socialism in our country.

Socialism—Means or End? Half-Way or Gradually?

913E0018B Hanoi TAP CHI CONG SAN
in Vietnamese No 5, May 91 pp 11-13

[Article by Nguyen Duc Bach, M.A. in philosophy]

[Text] Some people say that socialism, or any other ideology, is just a means and not an end. The goal is to have a prosperous people and a strong country.

At first glance, many people may think that that is correct. That is "pleasing" because it is easy to understand and practical, like a "simple truth." It is because of this that this idea is harmful (even though the motive of the person saying this may be legitimate and constructive), particularly in view of the fact that the draft documents of the Seventh CPV [Communist Party of Vietnam] Congress gathered ideas from all the people, socialism in Eastern Europe is collapsing, and Vietnam has not been able to overcome its economic and social crisis.

In this very limited article, I would like to discuss the following ideas:

By studying Marxism-Leninism, everyone can see that politics is really a matter of the relationship of the interests of the various classes. Politics and political interests are, in the final analysis, methods to reach the goals and obtain economic interests. Politics is a centralized manifestation of economics. That is, in the relationship between politics and economics, in the long-term process there are class relationships and class struggles. But in each specific historical stage of this long-term process, through the representative organizations (such as parties), there are always political targets and specific political interests that parallel the economic targets and interests that they represent (there are not just economic targets and interests.). This is both a theory and a historical reality that no one can deny. Thus, whether politics means "method," "means," or "target" is relative, specific, and dialectical. This refutes the mechanical way of thinking, that is, that politics is just a means in every historical stage. This is the first wrong "step" of the idea that we are rejecting.

The second wrong "step" of this idea is even more perverse in that it is said that socialism is just a means. If socialism is just a matter of politics, this idea is wrong. The focus of politics is certainly not just politics or just theory. It is also a practical social system that encompasses all spheres (policies, economics, and culture).

After the Russian October Revolution, many countries began building a socialist society, scoring achievements, making mistakes, and suffering defeats. To date, no country has finished building such a society. That is a rule of history. In order to achieve what it has, the capitalist social system has had to pass through more than two centuries of construction with countless crises. And tomorrow, like today, there will be more crises.

There is no general model or formula that all countries can use as a "source" when building a socialist society. But that does not mean that socialism—as a type of society in the history of human development—does not have general, basic characteristics. These characteristics are manifested quite concretely and individually in each country that has a socialist orientation. The party's present draft program mentions the basic characteristics of the socialist society that Vietnam plans to build. (This is also like a "general rule": To build an airplane, for example, the most basic characteristic of the airplane is that it must "fly." It can't simply "crawl" along the ground. But regardless of the type of aircraft and regardless of who produces it, the aircraft produced will all be different.) Everyone who has some understanding of social theory knows that even though the various capitalist countries are all different, they still share basic characteristics. Isn't building and maintaining capitalism and dragging and even forcing the developing and dependent countries into the capitalist "free world" the goal of the capitalist cliques in the developed capitalist countries?

Those who call socialism a general abstract theory are themselves caught up in generality and abstraceness. This separates politics from economics at a time when there are still classes and at a time of fierce class struggle. This separates the specific goals of socialist construction from the economic and social goal, which is to have a prosperous population and strong country. Everyone knows that in Vietnam, before the communist party came into existence, there were many patriotic people who were filled with confidence and who worked hard to have a prosperous people and strong country. But they were defeated, mainly because they chose the wrong revolutionary path and methods. As a result, the country remained weak, and the great majority of the people lived in poverty and ignorance. By carrying on their revolution, our party and people have clearly proven that more than any other path, the the path of national liberation tied to socialism, as manifested in the goals through the united revolutionary line of the Communist Party, is the correct and most effective path for the country and people. But since national independence was won and the farmers were given land, has the target of "prosperous people, strong country" been tied to socialist construction?

The Marxist-Leninist idea of "continuous revolution" is now, and will continue to be for many more years, a very revolutionary and scientific idea. According to this idea, the phrase "national liberation" is to be understood not only in the narrow sense of a national liberation revolution or national democratic revolution but also in the broad sense of the final goal that we want to reach—the liberation of man from oppression, exploitation, injustice, poverty, and ignorance and the construction of a new society in which each person is a master and can grow in all respects.

Because, if the phrases "national construction" and "prosperous people and strong country" are stated in a general way in today's age or even if the achievements scored by the party and people in the national democratic revolution are accepted and praised (some people have intentionally rejected these great achievements) but socialist construction, which is the basic target and the end result of the revolutionary process carried on by the party and people, is rejected, those ideas will represent a half-way position and unfinished revolution. Those ideas do not make it clear that to have a truly "prosperous people and strong country" over the long term and throughout all of society, we cannot follow the capitalist path with its oppression, exploitation, and injustices, which were the original characteristics and sources of vitality of capitalism, even though modern capitalism has expanded to a high degree and can "make corrections." To have a "prosperous people and strong country," those who have a complete understanding of these ideas as discussed above know that the only way to is carry on socialist construction even if this turns out to be a long-term, difficult, and complex process, which will make it difficult to avoid making mistakes and suffering temporary setbacks. Our party and people have never

separated "national construction" to have a "prosperous people and strong country" from socialist construction in any sphere (this is manifested in a general and unified target).

Those who view socialism as the means but not the end and who separate socialist construction from "national construction" to have a "prosperous people and strong country" are not only making a mistake but also rejecting the socialist path and the leadership role of the Communist Party in Vietnam today. Thus, regardless of how convoluted their words, what they really mean is that they want the country to take the capitalist path. The "prosperous people, strong country" targets of the party and people will be just an illusion. This will not only make it impossible to hit the target but also result in the fruits of the revolution being lost. The disorder in a number of East European countries is a bitter lesson. It is the communists and people in those countries who are having to pay a very high price.

Those ideas, which are half revolutionary, criticize the party's renovation policy as being incomplete!

The concepts "gradually" and "half-way" are not synonymous (and they can't be used interchangeably). Even though the toppling of an old system through violent revolution may seem to be sudden and rapid, in reality, every aspect must be prepared carefully if the revolution is to succeed and a new society, a socialist society, is to be built. To move from one society to another requires going through many transitional steps. These steps are not determined arbitrarily by man. Instead, the objective steps of development of a society are discovered and generalized in specific conditions. Understanding and implementing the present renovation process must be based on the problems with this general methodology.

People must see the two following aspects concerning the renovation guidelines put forth at the seventh congress. First, renovation is an objective and vital need of the country. This process must be carried on based on a unified position, that is, based on adhering to Marxism-Leninism and socialism, accepting the essence of mankind, and exploiting the achievements scored in order to make all-round and highly effective renovations. Shortcomings, weaknesses, and sluggishness must be done away with, and measures must be implemented to overcome these things. There must be renovation within a stable framework in order to develop the country in all respects and not to cause disorder and turn society upside down. This is both a guideline and unified target and the will power and legitimate aspiration of the party and people. This can actually be brought about. (The party has mentioned the favorable aspects, capabilities, and difficulties in the renovation process.)

Second, hitting the renovation targets set is not an easy task, and it can't be done in just a short period of time. Also, renovation cannot be carried on simultaneously in all spheres by making a "180 degree turn" just so that this can be called all-round and complete renovation,

with no one knowing where the country is to go after that. The party and people cannot accept this. Instead, they must resolutely reject this. (The fate, strength, and assets of our people, party, and country are not a large laboratory for dark "alchemists" who do not have a firm foundation and who want to experiment by mixing this and that substance in the hope of producing a new substance.) Everyone with some awareness and understanding can see the difficulties and complexities of the renovation movement launched by the party and reach the conclusion that renovation must proceed gradually. The most pressing problems in the overall entity must be found. This is difficult to do, and it will test the position, confidence, and abilities of the people, particularly those leading and managing renovation. Those who want to carry on renovation quickly and "thoroughly" by making a "180 degree turn" must realize that they will be criticized for being impatient and subjective. Today, these people are exhibiting even more serious symptoms when they say that to renovate thoroughly, we must "democratize," and once we have "democratized" things, there won't be any need to have leadership forces. Actually, that viewpoint is a prescription for anarchy. Those who subscribe to that viewpoint want to separate the party from the democratization process. They do not see that if the party does not serve as the leadership core, the process of democratizing society will fail. To give another example, [it's said that] in order to ensure that renovation is not done half-way, the shift from a bureaucratic centralism and state subsidies mechanism to an economic accounting and market mechanism must go hand in hand with the privatization process, from ownership to other spheres. There cannot be a state-operated economy or a collective economy in the market mechanism. And so on and so on.

But let's avoid too much theoretical and practical analysis of the above ideas. What I want to stress here is the economic substance (and the political positions mentioned above) of these ideas. These are just bourgeois economic viewpoints. According to these viewpoints, our country's economy will definitely become a capitalist economy. Our party and people rejected this a long time ago. This is because inheriting and studying a number of the scientific-technical and managerial achievements of capitalism is totally different from "jumping into" capitalism.

There Is No Opposition

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 5, May 91 pp 14-17

[Article by Duc Vuong; not translated]

April Thoughts

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 5, May 91 pp 18-19

[Article by Pham Tien Duat; not translated]

Contribute Ideas To Building the Platform and Strategy

Discussion on the Relationship Between Economics and Culture

00000000 Hanoi TAP CHI CONG SAN in Vietnamese No 5, May 91 pp 20-25

[Article not translated]

Making Clear Ethnic Minority Roles in the Party Program

913E00204 Hanoi TAP CHI CONG SAN in Vietnamese No 5, May 91 pp 25-27

[Article by Nguyen Van Huy, deputy director of the Ethnic Minority Studies Institute, Vietnam Social Sciences Commission]

[Text] The ethnic minority policy and the problems related to this policy have been mentioned in the socialist construction targets: "The socialist society that we are building...has a highly developed economy and a very progressive culture of great national color. The ethnic minorities in the country have solidarity, they are equal, and they help each other." (Chapter 2)

In chapter 3, "Economic and Social Development," four major problems are discussed. The ethnic minority policy is presented as part of the social policy. Section 3 of chapter 3, "Building a Socialist Culture," discusses the cultural aspect of the ethnic minority policy: The wonderful cultural traditions of the ethnic minorities in our country must be inherited and creatively developed."

In my view, this discussion of the ethnic minority policy in the Draft Program does not fully clarify the position and role of the ethnic minorities in Vietnam. This does not make clear the significance and importance of solving the ethnic minorities problem or point out how to solve this problem.

As we all know, long ago, the party decided that the ethnic minorities problem is a strategic problem (or that it has a strategic nature) of the Vietnamese revolution. The ethnic minority groups have been an important integral element of Vietnam ever since our nation was founded. The multinational character and the concept of national awareness of each minority group has been supplemented and strengthened. Based on the experiences of the past decades in Vietnam and in many other countries in the world, solving the minority group problems cannot be limited just to the sphere of social policy. Reality shows that the ethnic minority problems are integrated and all-round problems of diverse form. These are related to the economic, political, social, cultural, educational, public health, national defense, and diplomatic spheres. In solving these problems, in this age or in some other age, in this nation or in some other nation, and in this region or in some other region,

each of the spheres mentioned above is of great importance. Ignoring any of these spheres will have serious consequences.

Economic development is the basis for the development of the ethnic minorities and ethnic minority relationships. Whether the ethnic minorities develop and have solidarity with each other depends in large part on the correctness of the economic policy and on economic development. Only if the economy develops will the ethnic minorities have a prosperous and happy life. Only if the economy develops will it be possible to talk about strong solidarity and real equality.

Both theory and actual practice show that the ethnic minorities problems and the ethnic minority policies cannot be divided into separate policies. There must be coordination among the various policies based on one objective. There must be an integrated, all-round view with respect to the various aspects of social life, which includes the national psychology and the various socio-economic spheres, on a scale from the local and zonal to the national.

Because the ethnic minority problem is an integrated, all-round problem, in my view, including the ethnic minority problem and policy in the section on social policy is not rational. This is because it will not be possible to include the various aspects of this problem or fully see the strategic position (both now and in the future) of the national and ethnic minorities problems. And because of this, it will not be possible to find a suitable way to solve these problems.

I propose that the ethnic minority policy in the Draft Program be the subject of a separate section, although still within chapter 3 (which means separating it completely from the section on social policy). This section should be placed after the present four sections, becoming section 5 of chapter 3. This section can include various matters related to ethnic minorities and to ethnic minority policy, matters that have been presented in various other parts of the Draft Program, such as the part that talks about inheriting and creatively developing the traditional cultures of the ethnic minorities (the section on Building a Socialist Culture). Naturally, the section on socialist construction as this relates to the ethnic minorities must be kept and expanded.

The most important requirement with respect to ethnic minority policy that is presented in this section is how to present targets, viewpoints, guidelines, and ways to solve the national and ethnic minority problems in the socialist revolutionary stage and to show how the solutions in this stage of the socialist revolution differ from those in previous stages. We cannot stop here with just general principles that fit every revolutionary stage, because if we do, the program will not have a practical guiding effect and will lose its effect as a compass for action in a revolutionary stage.

As for the ethnic minorities problem, the requirements posed in the socialist revolution today are very different

from those during the resistance against France several decades ago. Thus, the Draft Program must manifest these differences by determining: First, what are the targets in solving the ethnic minorities problem in the transitional period, and second, what steps, forms, and methods can be used to hit those targets?

The Draft Program gives little attention to reviewing the theoretical and practical problems related to the ethnic minorities problems posed in the socialist revolution during the past several decades and following the party congresses, particularly the sixth congress, an historical congress that opened up the era of renovation. The Draft Program must study, inherit, and develop the correct viewpoints adopted by the sixth congress.

In chapter 2, the Draft Program defines the targets of socialist construction and the targets of the initial stage. I am in complete agreement with the general targets set, because there, along with general matters pertaining to the entire country, the program also mentions the ethnic minorities problem. However, because the economic and social starting points of the majority and minority peoples in Vietnam are different, the ethnic minorities policy in the new revolutionary stage must point out the targets and the way to hit the targets of the ethnic minorities within the framework of the general targets and the general path of the entire country. Here, I would like to propose a number of points:

I propose that we use the important viewpoint regarding the ethnic minority policy that was adopted by the sixth congress and that is in accord with practices in Vietnam now and in the future. This viewpoint is: All aspects of each people must be developed in conjunction with the consolidation and development of all Vietnamese peoples (in the Draft Program, the two places that omit the word "all" in the phrase "all Vietnamese peoples" are incorrect). This viewpoint must be regarded as a target of the ethnic minority policy in the transitional period and must be "slanted" to replace the section "the collective of Vietnamese peoples share a common history...."

If this target needs to be clarified further, it can be supplemented by a clause adopted by the sixth congress: "enable all peoples to enjoy a prosperous and happy life." Thus, concerning the ethnic minorities policy, the target that we must strive to hit in the transitional period is: "To develop every aspect of each minority group, reduce and eventually eliminate poverty, enable all peoples to enjoy a prosperous, civilized, and happy life, and solidify and develop all Vietnamese peoples."

As for the way to hit this target, the following viewpoints need to be mentioned:

1. The economic, social, security, and national defense policies must consider the special characteristics of the various ethnic minorities and regions. We must not force things into a particular framework or subjectively use inappropriate organizational forms in the process of building and developing the economy, culture, and society in the ethnic minority areas.

2. Various forms of communications and industry, particularly the processing industry, must be expanded. The technical advances must quickly be used in life and production, particularly agricultural and forestry production and the processing of agricultural and forestry products. The expansion of household agricultural and forestry farms must be promoted, which will create new demands with respect to production, production organization, and the application of science and technology. We must be bold and fair in allowing foreign investment in the mountain areas and attract various sources of capital.

3. In solving the grain problem for the minority groups in the mountains, we must base things on commodity and market economy viewpoints.

4. Policies must be implemented that provide favorable treatment with respect to taxes, the degree of local budget control, credit and the use of foreign capital, and wages and compensation policies. There must be a policy to protect the main products of the mountain areas.

5. We must give attention to and ensure the interests of the tribesmen in economic and social development on both the macrocosmic and microcosmic levels.

6. The culture of each people must be preserved, and the use of the language and writing of the ethnic minority groups must be promoted along with the process of expanding [the use of] the Vietnamese language and the official writing system. There must be a struggle against manifestations of assimilation of the ethnic minorities, the idea of major and minor nationalities, discrimination, and tribal divisions.

7. There must be guidelines and plans for developing each ethnic minority group on the macrocosmic and national levels within the collective of Vietnamese peoples.

8. Plans must be formulated to systematically train the ranks of cadres of the ethnic minority groups for both now and for the long term. An effort must be made to maintain the quality of the training.

Issues Concerning the Economic Structure

913E0020B Hanoi TAP CHI CONG SAN
in Vietnamese No 5, May 91 pp 27-29

Article by Nguyen Van Ky, Nguyen Ai Quoc Institute]

[Text] The Draft Economic and Social Strategy has a relatively rational structure. It mentions the basic targets that our country must hit by the year 2000. At the same time, it also puts forth a number of basic solutions to hit those targets. But in the draft, there are still a number of issues concerning the economic structure that need to be studied in greater depth.

The draft mentions three aspects of the economic structure: the inter-sector economic structure, the regional and territorial economic structure, and the economic

elements structure. In my view, these three aspects are correct but insufficient. There are a number of other very important structural aspects that are missing, such as the structure of the internal and external economies, the economic and needs structures, and so on.

1. The structure of the internal and external economies

This is a very fundamental relationship of our country's economy today. Balancing the economy requires having a relationship between the internal and the external, particularly in the Asian-Pacific region. Japan has developed greatly thanks in large part to having correctly resolved the relationship between internal relationships and external relationships. Today, this region is experiencing a large-scale transfer of technology, which started with transfers from Japan to the NICs [newly industrialized countries] and later on to a number of countries in Southeast Asia. In particular, a large transfer is taking place from Singapore and Thailand to the Indochinese countries. The Thai prime minister stated that he wanted to transform Indochina from a battlefield into a market place. The International Monetary Fund (IMF) and now the United States and Japan have begun to regard Vietnam as one of the reception points for this large-scale transfer of technology. West European countries, particularly Italy and Germany, have begun giving attention to investing in Vietnam. In 1991 and 1992, Italy provided aid and favorable loans amounting to approximately \$132 million in order to build an infrastructure and many other socioeconomic projects in Vietnam.

It can be said that the strategic plan of other countries with respect to Vietnam is quite clear. Thus, what is our plan with respect to the economic structure for dealing with the above plan?

In my view, we will have to incorporate the relationship between the internal and external economies in our strategic plan and in our economic structure. The strategic problem, returning to the problem of organizing the economic structure, must refer to both the internal and external economic structures. Today, our viewpoints and plans go through foreign economic policy. But in my view, these viewpoints and plans are insufficient and not specific enough. They must be expressed in the form of an economic structure, in which there are both internal and external economic structures. Reality has provided us with many lessons concerning this problem. What is the reason for our defeats in exports and imports? Mainly, they stem from the fact that our viewpoints and plans have not been concretized in the form of a structure. The problem is to create a clear economic structure. There must be links and connections between the internal and external with respect to each aspect and each zone.

2. The structure of the economy and the structure of needs

The relationship between the structure of the economy and the structure of needs has not been discussed by the Draft Strategy. Needs here must be concretized to mean

investment needs in the next 10 years. Supposing that our plans for the next 10 years will require \$32 billion, this must be regarded as a great need, because this will account for 30-40 percent of the state budget in the next 10 years. On one hand, the structure of the needs requires that we arrange the economic structure accordingly. On the other hand, the economic structure is the means and motive force for implementing the needs structure.

We can examine the need for investment capital based on three basic guidelines:

First, the need to renovate fixed assets. We must make calculations and determine how extensive renovation must be and what our capabilities and the capabilities of other countries are for satisfying this need. In the coming 10 years, which sectors will have to be renovated, and, specifically, what will the structure of the renovation of the fixed assets (and also the renovation of technology in the next 10 years) be like? This renovation will certainly form a new economic structure, and this new economic structure will be the means for implementing the needs structure mentioned above.

Second, infrastructural needs. The following must be determined in the Strategy. In the next years, how great will our infrastructural needs be, to what degree will we be able to satisfy these needs (this must be quantified), and by what means will they be satisfied? It is the economic infrastructure that determines the regional and territorial economic structures.

Thailand and Singapore have a very clear and concrete strategic plan for building the economic infrastructure during the coming 10-15 years. I don't think that our country's economic structure can stop with viewpoints.

I would like to present an outline of an economic and social strategy:

1. Strategic plan in the next 10 years

2. Plan to form viewpoints in a systematic manner

3. Plans and viewpoints must be formulated, fixed, concretized, and quantified using basic economic relationships. Such plans constitute the economic structure.

In my view, in the present Draft Economic and Social Strategy, the above outline is not clear or adequate.

Third, the issue of regional and territorial structure

I would like to present two ideas:

First, the regional economic structure must not be confused with present provincial or district administrative boundaries. A district, and even a province, does not have sufficient conditions to form a regional economic structure. Up to now, we have identified the concept of "industrial-agricultural structure" with that of "the economic structure of the province and district." Actually, the concept of an "industrial-agricultural structure" just

points to an "inter-sector economic structure" within the country. It is implemented through the provinces and districts, but this does not mean that each province and district has a separate economic structure.

Identifying the regional economic structure with administrative boundaries and associating this with implementing local economic interests has created a self-sufficient structure in the style of local annexation. Carrying on import-export activities, balancing the budget, engaging in a market economy, and so on are all carried on based on administrative boundaries. The consequence is dispersal and division of circulation. This has made it difficult to form a national market and made it difficult for the market mechanism to stimulate accumulation and renovate the technology. As a result our economy has hit an impasse and remained backward.

Second, the issue of regional economic structure in the Strategy must clarify what the regional and national markets will be like in the next 10 years. Which regions will produce what types of goods is an important question. Also, will China's Guangdong and Fujian export processing zones be imitated by us? What will the relationship be between the sectors and the administrative zones in implementing the regional economic structure? And so on.

The Important Position of the Maritime Trade in the Economic and Social Development Strategy

THUONG MACH HANOI TAI CUNG SINH in Vietnam
No. 5, May 91 pp 29-31

{Article by Tran Duc Lan and Le Tinh, not translated}

Research**The Problem of a Unified National Front in the Vietnamese Revolution**

GUERRERO Hanoi TAP CHI CONG SAN in Vietnam
No. 5 May 91 pp 32-33, 36

[Article by Nguyen Thanh, not translated]

Health Services in a Market Economy

GUERRERO Hanoi TAP CHI CONG SAN in Vietnam
No. 5 May 91 pp 34-35

[Article by Truong Cong Can, not translated]

Exchange of Opinions**Economics and Class in the Transitional Period to Socialism**

GUERRERO Hanoi TAP CHI CONG SAN in Vietnam
No. 5 May 91 pp 37-41

[Article by Duan Trong Nha, not translated]

**Seminar Organized by the Thanh Hoa
Provincial CPV Committee and TAP CHI
CONG SAN**

**The Bim Son Cement Plant and the Thanh Hoa
Federated Tobacco Enterprise—Roles and
Autonomy in Business**

*Viет Nam, Hanoi TAP CHI CONG SAN
in Vietnam No. 5, May 91 pp 42-46*

[Report on seminar organized by Thanh Hoa Province and TAP CHI CONG SAN on 16 and 17 March 1991 at the Bim Son Cement Plant]

[Text] It is a great leap to move from a bureaucratic centralism and state subsidies management mechanism to autonomy in business in accord with the Spirit of Council of Ministers' Decision 217 on expanding commercial production based on a market mechanism with state control. At the same time, this poses a great challenge with respect to renovating the management mechanism on both the microeconomic and macroeconomic levels.

During the three years that Council of Ministers' Decision 217 (implemented 14 November 1987) has been in effect, a number of state economic units, including the Bim Son Cement Plant and the Thanh Hoa Federated Tobacco Enterprise, have striven to expand production based on maintaining their markets, tying production to the markets, and constantly striving to improve the technical processes and the quality of the products. According to recent data from the Asset Liquidation Department of the Central Committee, approximately 30 percent of the state enterprises in the country are making a profit or beginning to show a profit. The majority of these enterprises have a good level of accumulation. The incomes of the cadres workers, and civil servants have risen and are stable. These enterprises are fulfilling their obligations and paying their taxes and other debts to the state. They are making an important contribution to increasing revenues for the budget.

However, along with the state enterprises that are doing well and that have affirmed their role and position on the markets, there are also many enterprises that have been operating at a loss for a long time and that are facing bankruptcy.

The important problem today is that with respect to macroeconomic economic management, there must be measures to deal swiftly and resolutely with those enterprises that are operating at a loss. At the same time there must be policies to encourage state enterprises to manifest autonomy in investment, renovate their technical processes, improve product quality, and satisfy the varied needs of the markets.

The above was the aim of this seminar, which was attended by Thanh Hoa provincial leaders, TAP CHI CONG SAN, a number of state enterprise directors (in Thanh Hoa Province), and a number of economists.

Theoretical and Practical Issues Raised at the Seminar

1. Affirming the role of the state economy in a multifaceted commodity economy

Based on actual reports on the commercial production development situation of the Bim Son Cement Plant and the Thanh Hoa Federated Tobacco Enterprise, those at the seminar gave high marks to the initial results achieved by these two state enterprises in shifting to economic accounting based on a market mechanism.

Those at the seminar said that in a capitalist or socialist economy, the existence of state-owned economic sectors (state-operated economy) is essential. Every state must control the state economy and use this as a tool to regulate the economy. What the structure and weight of the state economy is in the [overall] economy depends on the level of development of the production forces and the level of managerial organization of each country. The seminar affirmed the need to keep the Bim Son Cement Plant and the Thanh Hoa Federated Tobacco Enterprise as state owned enterprises (within the state economy). Those present made proposals on macroeconomic management with respect to these types of enterprises.

Although this is just the beginning, the results of the commercial production activities and the contributions made to the state budget by these two state economic installations during the past two years have, to a certain degree, manifested the role and superiority of the state economy in a multifaceted commodity economy, which is proceeding with a socialist orientation in our country.

However, some people said that the state economy is a great flaw that has generated state budget deficits and inflation and that this contains factors that have led to skyrocketing inflation. The overall evaluation of those at the seminar was that many state economic enterprises are operating inefficiently.

2. Determining the contents of the business autonomy of the state economic units

The majority of those attending the seminar said that the contents of the business autonomy of the state economic units are manifested in many respects, that is, in financial autonomy (expanding and preserving capital), in adjusting to markets, in managing and controlling commercial production within the enterprises, in organizing joint operations with domestic and foreign economic units and so on in accord with the law.

One question that was asked was To whom has the state (with the credentials of the representative of public ownership) given the right to use the assets? To the directors? To the cadres workers, and civil servants? Or to the administrative councils? Many people said that in order to avoid a situation in which there is general ownership, this right should be given directly to the directors (naturally, rights and responsibilities will have to be stipulated very clearly and concretely). A number of other people said that we must adhere to the principle

of the collective leads and individuals assume responsibility. The state should transfer assets to the administrative councils and regard the administrative councils as organizations that represent the state's ownership rights at the enterprises. A third opinion expressed by some participants was that depending on the specific situation of each enterprise, the state can transfer assets to the workers and civil servants (naturally, through the administrative councils or directors). However, regardless of the form, the director will still be the person who is responsible to the state for the expansion and preservation of the assets.

Another question asked at the seminar was "If the right to use the assets is given to the directors, how great will the powers, responsibilities, and interests of the directors be?" Almost all of those present said that the director, with the credentials of the state's representative, must be the one who controls the accounts. He must have the authority to sign economic contracts and commit assets. The director must also have the authority to control the commercial activities, implement the decisions of the managing organizations, and enforce the clauses stipulated by the law in business. The director is fully responsible to the enterprise's managing organization for the business results. Besides the salary set by the state, the director can receive a bonus if the enterprise is successful. Conversely, the director can be fined if the enterprise suffers a loss.

A number of people asked, "If assets are turned over to the directors, what role will the laborers (including the party committees, trade unions, and mass organizations) and the enterprise councils play in order to ensure that they don't interfere in the business activities of the directors but at the same time limit any abuse of powers, the appropriation of state assets, and encroachment on the interests of the laborers?" Most of those attending the seminar said that this is a very complex problem. If this relationship is not handled well, this will have a great effect on the commercial production activities of the enterprise. Thus, the best solution is to clearly stipulate the functions, powers, obligations, and interests of the party and mass organizations (many people stressed that this relationship should be codified). Thorough inspections must be made (by the workers), and the advisory role of the enterprise council must be exploited in order to help the directors exploit the strengths and overcome the weaknesses and fulfill the economic norms put forth at the worker-civil servant congress.

3. On the organizational and managerial system and the state's macroeconomic economic policies on state economic units:

Almost all of those attending the seminar said that the state (with the credentials as the owner representing all-people ownership) should transfer business autonomy to the enterprises (with the credentials as the specific owner). The state enterprises will be directly controlled by a management organization that represents the state. This organization can be the Ministry of Economics and

Technology, the provincial people's committee, or some other unit. The management organization must set guidelines and targets, formulate the long-term and annual business plans of the enterprise, approve plans to mobilize capital, issue bonds, and contribute joint venture capital, check the economic statements and review the yearly assets of the enterprise, appoint and dismiss various people such as the director and accountant, and manage the activities of the enterprise with respect to legal aspects.

A number of people said that it would be a mistake to impose too many binding conditions on the enterprises. There should be a single condition. The state will manage the state enterprises through the law and will not interfere in business operations, which might reduce the dynamism of the enterprises.

Another question posed at the seminar was Who represents the state in giving the state enterprises the right to use and possess assets? The majority of the people there said that there must be management organizations (at the top of which is the Council of Ministers, with the provincial people's committees below that). But others said that committees representing the Council of Ministers should be established to give the enterprises the right to use and possess assets. These committees will be responsible for constantly inspecting the expansion and preservation of the assets of the enterprises.

People attending the seminar said that the immediate and long-term task is to unify the high-level management organizations of the enterprises in all respects. Each state enterprise should have just one higher echelon, the Council of Ministers or the provincial or district people's committee. The ministries should manage the enterprises based on their economic and technical functions only. The all-round management style of today should be done away with (if an enterprise is subordinate to a particular ministry, it is tied to that ministry in terms of economic, financial, technical, pricing, and so on matters). This causes problems and interferes with expanding the enterprise's commercial production. A number of other people said that in a situation in which our country's economy is still dispersed and backward and we are in the process of shifting to a market economy, management ministries should be maintained for a certain period in order to maintain the centralized management of the state. Naturally, the management formulas of the ministries with respect to the state enterprises must be fundamentally renovated (management based on the law and no interference in the business activities of the enterprises). Conditions must be created that will enable the state enterprises to expand in accord with the market mechanism. The concept of distinguishing between central enterprises and local enterprises must be done away with.

4. On state enterprise federations and the management councils in the state enterprises:

Concerning state enterprise federations, many of those at the seminar said that regardless of the form of the economy (even if it is a transitional form), if it has not fully manifested its effect, it must be maintained. But even if the state enterprise federations in Vietnam still have a role to play, they cannot be maintained as before. Above all, they must be turned into research organizations to plan the intensive production expansion of the sector, study markets, forecast demand, provide information, coordinate the activities of the member enterprises, guide the member enterprises so that they operate in accord with the law, and inspect their operations.

Conversely, a number of people said that the enterprise federations should be disbanded immediately, because this is an unnecessary middle echelon (which was suitable only during the state subsidies period). Their apparatus is cumbersome and ineffective. They benefit the enterprises very little but cause many problems for the enterprises. Also, they are costly and waste much of the state's assets.

As for the management councils in the state enterprises, the seminar participants expressed two views. Some said that the state enterprises must have management councils to represent the ownership rights of the state at the enterprise. But the first thing that should be done is to conduct experiments at a number of important state enterprises in order to gain experience. If the results are good, this can be expanded. We must avoid rushing to organize things formally. Others said that management councils should not be established at all the state enterprises but only at the share corporations. It would not be rational to establish management organizations (called management councils) at all the state enterprises with the participation of the members (sent by higher echelons) outside the enterprises. This would not be in accord with reality. Will the members of the enterprise management councils, who are appointed and paid by the state, really devote themselves fully to working for the enterprise (particularly in view of the very low wages paid by the state today)? And if they are paid "subsidies" by the enterprise, will they be objective enough to participate in solving the complex problems of the enterprises? These are important questions that require that we give attention to substance and results instead of doing things in a formal way, which has been the case for a long time.

Proposals From the Seminar

1. The state enterprises must be urgently reorganized

Above all, efforts must be concentrated on implementing Council of Ministers' Decision 315/HDBT of 1 September 1990 on disbanding those enterprises that have been operating at a loss for a long time and on guiding and investing in those enterprises that have been profitable.

According to most evaluations today, the majority of the state enterprises are doing an average or poor job. Many enterprises are suffering losses, and some exist in form only (because the state has not yet implemented a

bankruptcy law). Based on classifying the state enterprises, the state should control only the leading enterprises that produce goods needed to support the needs of domestic production and life and exports. As for those enterprises that have been operating at a loss for a long time (and which are not essential enterprises), resolute steps should be taken to shift the focus of their business operations, improve services, rent them out, sell or auction them, or otherwise dispose of them in order to utilize the assets, recover the debts, increase revenues for the budget, or at least reduce the amount of budget funds expended on these enterprises.

Dealing resolutely with the enterprises that have been operating at a loss for an extended period is a key problem in reorganizing the state economy. These enterprises (including both central and local enterprises) control trillions of dong in assets (both fixed and liquid) of the state. This is the basic reason why our capital has gradually been drained and why we have such a huge budget deficit.

At a time when our economy still faces many difficulties and the state's capital is limited, allowing those enterprises that have been operating at a loss for a long time to go bankrupt is an important measure for reorganizing the state economy, overcoming the situation in which investments are dispersed and ineffective, concentrating the investment capital on the profitable enterprises, and quickly increasing revenues for the budget.

2. Based on reorganizing the state economy, the right to use the assets and the responsibility for expanding and preserving the assets must be turned over to the enterprises

The overall target of turning over and receiving assets is to ensure that the state's assets are preserved and expanded and to ensure that the enterprises that have been given autonomy concerning assets and the use of the assets achieve good results. In order to hit this target (as discussed above), several questions must be answered: How will the assets be turned over? Who will turn over the assets, and to whom will they be given? These are the questions that must be formulated as a mechanism to manifest the relationship between the state and the enterprises with respect to assets.

The commercial production assets of enterprises include fixed assets, liquid assets, other types of assets formed from sources provided by the state budget, the supplementary assets of the enterprises, joint-enterprise assets, borrowed assets, and the assets of customers. The state is giving the enterprises the right to use, expand, and preserve only those assets provided by the budget and those supplemented by the enterprises (profits invested in production). As for the other types of assets, the enterprises are responsible for managing, using, and preserving these assets in accord with the joint-enterprise agreements and contracts.

In order to enable the state enterprises to truly practice economic accounting, the state should make the enterprises responsible for preserving only the production and business assets needed (calculated based on actual prices based on a unified price grid). As for the value of the fixed assets that aren't needed or that are damaged and waiting to be disposed of and of commodity materials that can't be sold or that turn over slowly, although the value of these assets have been included in the value of the assets turned over to the enterprises, the enterprises should be allowed to record these in the write-off accounts.

Both now and in the future, transferring and preserving assets are positive and essential measures for handling the relationship between the state's ownership rights and the business autonomy of the enterprises. After turning over the assets to the enterprises, the state should not interfere, using administrative measures, with the asset use plans of the enterprises. Instead the state should use tax laws, policies, and legal measures. The state must perform a macroeconomic management function, set guidelines, and regulate the investment and income distribution processes of the enterprises. Conversely, the enterprises that are given assets have a responsibility to preserve those assets in accord with the law. They have the right to use those assets. Or to state it another way, they are the specific owners of the assets given by the state and must use them in the most profitable way possible.

3. The technical advances must be used, and the technical processes must be renovated.

The practices of the Bim Son Cement Plant and the Thanh Hoa Federated Tobacco Enterprise show that along with renovating the management mechanism and giving attention to the interests of the laborers, these two installations have constantly given attention to applying the technical advances, renovating the technical processes, and improving product quality. This is a good orientation that is in accord with the requirements of a market economy. To be able to compete successfully product quality must be good, and the products must be in accord with the tastes of the consumers.

In order to hit the target of gradually renovating techniques and renovating the technical processes at the state economic installations, the state and the various echelon sectors must reexamine the investment and capital construction plans, resolutely eliminate the non-productive construction projects that are not really needed, and set aside investment capital for the key economic enterprises in order to generate high productivity and high product quality and satisfy consumer needs both here and abroad.

First of all, the state must reserve a portion of the basic investment capital together with the revenues obtained from liquidating the stagnant and unneeded assets to concentrate on intensive investments for the profitable

enterprises that earn large sums for the budget (such as the Bim Son Cement Plant and the Thanh Hoa Federated Tobacco Enterprise).

4. The macroeconomic management policy must be renovated, and steps must be taken to enable the state enterprises to satisfy the requirements in switching to a market mechanism.

Above all, the state should soon promulgate a business law, a bankruptcy law, a labor law, and so on. Based on the laws promulgated, the Council of Ministers and the state organizations responsible should quickly revise and implement a synchronized set of policies in accord with the new operating environment and market mechanism.

With respect to many of today's state enterprise directors, the burning problem is that the state must urgently supplement and revise the policies and positions on managing and liquidating assets, the measures for depreciating fixed assets, the distribution, wage and bonus system, the tax policies (particularly maintaining rational tax levels), the policies concerning the obligations of the state enterprises with respect to the state budget, the price policy (having a one-price market), credit and foreign currency use policies, and so on.

Only by building and perfecting such a synchronized and rational system of policies will it be possible for the state enterprises to measure and evaluate their operations, and only by doing this will the state organizations have a legal basis for inspecting and controlling the enterprises.

5. The training of management cadres for the state enterprises must be strengthened.

In general, the economic management cadres at the state enterprises in our country were trained mainly in socialist countries. This means that most of these cadres were trained in a bureaucratic centralism and state subsidies mechanism based on a rigid planning model. Now that we are shifting to a market economy, many people have shown themselves to be inexperienced and unsuitable. Furthermore based on recent inspections at 4,584 state enterprises, 2,610 enterprises were found to be operating at a loss because the directors did not have adequate educational standards. According to the data obtained during these inspections in the country today, about 20 percent of the directors do not have a degree and they are not familiar with business law.

In view of this, the state must implement urgent measures to systematically retrain the economic management cadres from the central echelon to the localities, particularly the business management cadres in the state enterprises. This is a very important problem because if the state's assets are turned over to people who lack knowledge and professional skills, that will be like "throwing money out the window."

Closing Speech by Comrade Ha Xuan Truong

9/10/1991 Hanoi TAP CHI CONG SAN in Vietnamese
No. 3, May 91 pp 47-49

[Text] This is the second seminar held by TAP CHI CONG SAN on the role and position of the state economy. This seminar was organized by TAP CHI CONG SAN and the Thanh Hoa Provincial CPV [Communist Party of Vietnam] Committee. What is different about this seminar is that it started from primary level units. From those units, we chose two units, a central unit and a local unit, whose operations are going well to make the main reports. In my view, this way of doing things is something new. Some people have asked "Why weren't units that are experiencing difficulties or that have had poor results chosen?" I think that in the present situation, the units that are doing well have had to overcome countless difficulties. In order to gain further experience in evaluating things, along with these two units, we invited a number of local enterprises to express opinions. It can be said that there are many more problems that this seminar could have addressed. But during these two days, we have worked very tensely with a lofty spirit of responsibility and covered much ground. I wouldn't presume to summarize things but would like to mention a few major points on which we agreed: certain pieces of information and certain experiences and certain issues that must continue to be discussed.

I. Issues on Which There Was Unanimity

1. Everyone agreed that the state economy is essential for economic development. It is closely related to both the capitalist and socialist economies. Its nature is tied to the nature of the state and to the social system of the country. The state enterprises of a capitalist state follow capitalist tendencies while those of a socialist state follow socialist tendencies. By itself, the concept of state enterprise does not determine the nature of an economy. The question is, Who controls them and whom do they serve? State enterprises are just one economic form in our country's various economic elements. We have not discussed the contents of this guiding or key concept, because this has already been discussed a lot, and I am certain that it will be discussed more in the coming period. But one thing that is certain is that every country must have its own economic tools to maintain the country's economic and social orientation. The state economy is the most important tool for regulating the entire economy in accord with the nature and targets of the country. The capitalist state must have economic tools to support the capitalist system. The socialist state must have its own economic tools to support the laborers.

When affirming the role of the state economic elements, it is also necessary to affirm the ownership of the working class and the role of the party, the vanguard unit of the working class, in leading the economy. Because of our country's historical and social conditions, the Vietnamese bourgeoisie has never had sufficient strength to lead the Vietnamese revolution. Because of this, the bourgeois class has not been able to create key forces to

lead the construction of Vietnam. Thus, the bourgeoisie in our country have simply participated as an element in our economy. The state economy has had to play the activist role in the economy. It's true that many state enterprises are now facing the threat of bankruptcy or are operating at a loss. But it is not due to the state economy but to the bureaucratic centralism and state subsidies management mechanism, and to various other things. The party and state must soon establish a management mechanism that is in accord with the practices in our country and that will ensure the collective ownership rights of the laborers and the interests of each labor. We must learn from the bourgeois specialists, and all of us, from higher to lower echelons, must be prepared to study and restudy economic management.

Starting from this viewpoint, we have affirmed that renovating the management mechanism, as put forth by the party and state, is correct. And we have affirmed the positive effect of Council of Ministers' Resolution 217, which has restored vitality to the state enterprises.

2. It is because of our sluggishness in improving the management system that the enterprises have been able to remain intact. But this is also why they have so many difficulties. The point to note is that in an economy that is in crisis, a crisis that has lasted for more than 10 years, the element of chance is quite prevalent. Because of this, it is very difficult to correctly evaluate the capabilities of the directors or the economic results of the enterprises. The profitable enterprises, such as the two enterprises that we have used as the basis for this seminar, are enterprises that have manifested, from the director to the laborers, a very high degree of ability in managing themselves. Naturally, they have other capabilities that have not been exploited because of the restrictions of the mechanism and policies (both those that exist and that do not exist). The major problem discussed at the seminar was the slow change of the macrocosmic management policies and the design of a management system that is not synchronized or unified. We do not have enough knowledge to build a policy system in accord with the laws and special characteristics of Vietnam at a time when the economy is shifting to a new mechanism. Many people said that the slow changes in the financial, banking, and price systems in many macrocosmic elements have created many obstacles and difficulties for the primary level units. Specifically, the Bim Son Cement Plant and the Thanh Hoa Federated Tobacco Enterprise, which are regarded as having done a good job and which are expanding, have encountered many difficulties, too.

3. From analyzing the realities and expansion of a number of state economic units, including the Bim Son Cement Plant and the Thanh Hoa Federated Tobacco Enterprise, which have given reports here, the seminar has mentioned a number of ideas:

First, the state economy has the ability to adapt to a market economy and commodity economy based on a

socialist-oriented market mechanism or mechanism that is regulated by the state (we are trying to determine which term is appropriate).

Second, in general, state economic results are still poor and, therefore, the state enterprises must be reorganized. (This point was raised at the previous seminar, but to date, the matter has not been fully resolved.) After two years, there are still people who wonder what to do with the units that are operating at a loss. Those at the seminar said that we must use market economy measures and competition. Those enterprises that have been operating at a loss for an extended period must be allowed to go out of business in order to enable the profitable enterprises to expand.

Third, to manifest the role and autonomy of the state enterprises, organizational work must be renovated in a synchronized way in order to prevent sluggishness. There must be unified modes of thinking and action from top to bottom.

Fourth, there is unity and opposition between the economy and society. The economy and society affect each other. Within the economy, there are social problems, and within society, there are economic problems. The question is how to handle this relationship in the sphere of an enterprise so that that enterprise can expand within the commodity economy based on a market mechanism and contribute more and more to society.

During the seminar, one of the important issues discussed was the factor of man in management. The methods used by the two state economic units that we have used as a basis have shown that the methods used to deal with the laborers have an effect on labor productivity and business results. We must solve such problems as the internal division of labor and wages, have appropriate regulations on public welfare, and solve the other problems that have a bearing on the material and spiritual lives of the laborers. This is essential if we are to stimulate the active and creative nature of the laborers. Clearly, unless attention is given to the laborers and to finding out and grasping the needs of the laborers, regardless of the mechanism or system and regardless of ideals, the enterprise will not be able to make a profit. This manifests the superiority of socialism in production and business organization.

II. A Number of Issues That Need To Be Studied and Different Ideas

The powers of the enterprises: In conditions in which the assets of the state economic units, which have the

credentials of independent economic units, still belong to all the people, of what does the business autonomy of these units consist? To whom has the state, with the credentials as the owner, given the right to use its assets? To the directors or to the laborers? To whom should the assets be turned over and how should they be preserved? The key issue here is the issue of ownership and use rights. How should these two rights be distinguished and unified in order to maintain and encourage the spirit of responsibility and creativity of the laborers. If we separate ownership rights from use rights and do not resolve this unified relationship, this will lead to mutual opposition, which will make it impossible to create a motive force for the economy, that is, the ownership of the laborers. Because of this, the direction that we have proposed is: Regardless of the form and regardless of the regulations, these two rights must be tied to each other.

Another issue concerning enterprise powers is the powers, responsibilities, and interests of the directors. What is the collective role of the laborers? What about the administration, the party committees, the trade unions, and the mass organizations? Will there be enterprise management councils? What is encompassed by the term "the state" as the owner? Who represents the state in turning over the right to use and manage the assets of the state enterprises? Will there be a higher echelon management organization over the enterprises, and, if yes, which organization? Between the market and the state, which one will enterprise business follow? Some people have said that it will follow the market, because the state itself regulates the economy based on the market.

On enterprise federations: Should these continue to exist?

If they continue to exist, in what form? There are different types of federations. Should the management boards be maintained? In general, the majority at the seminar said that there must be all-round renovation. The organizations established should not bend or interfere with the autonomy of the installations.

During this seminar, we also discussed share corporations and associations. What conditions are needed for such enterprises, and what are their contents?

In addition, there are various economic levers such as taxes, rates of exchange, social policies, and so on. What should these levers be like in our country's market economy? These are important issues about which we can learn much from the capitalist countries.

**Nghe Tinh—Lessons Learned During the Struggle
Against Corruption**

DO KHUONG HANH TAP CHI CONG SAN in Vietnamese
No. 5, May 91 pp 50-54

[Article by Nhì Lê and Võ Đăng Thiên, not translated]

Don't Imagine That That Is the Truth

000000/0 Hanoi TAP CHI CONG SAN in Vietnamese
No 5, May 91 pp 55-56

[Article by Binh Giang; not translated]

Should We Consider Marxism-Leninism Our Ideological Foundation?

913E0020E Hanoi TAP CHI CONG SAN
in Vietnamese No 5, May 91 pp 56-57

Article by Do Minh Tu Liem, Hanoi]

[Text] Marxism-Leninism has been rejected by the enemies of the proletarian class, that is, bourgeois scholars. This is easy to understand. This was the case even when Marx and Lenin were alive. This is still the case today and will continue to be the case in the future.

But starting from the high tide of reorganization and reform, in the name of renovation, ideas have been put forth by writers who just a few years ago were still disciples of Marx, Engels, and Lenin. Why have they abandoned the theories of these men so quickly? There are many reasons. Perhaps they have vacillated because of a lack of ability. Perhaps it's because they don't fully understand the substance of Marxism-Leninism but understand only the dogmas. Perhaps it has to do with individual interests and status.

A point worth noting is that when the reorganization movement began and communists openly criticized the errors that they had made with respect to leadership lines, policies, and positions, a number of people immediately turned and rejected Marxism-Leninism.

Some people have said that Marxist-Leninist theory is a great theory but that it was correct only in the previous historical conditions. Some people have asked: Can Marxism-Leninism be used today as the single ideological foundation or should something else be added to this?

True Marxists understand that by Marxism-Leninism we primarily mean the great law of dialectical materialism. We have not used this or that statement or phrase of Marx, Engels, or Lenin as an ideological foundation. In the Draft Program, if any sentence or argument does not fully manifest the spirit of dialectical materialism, it would certainly lack persuasiveness.

As we all know, Marx and Lenin used the law of dialectical materialism to explain and study things in the economic sphere and formulated an economic and political theory to explain the world, and society formulated Marxist philosophical theory and scientific socialism. Other sciences (Marxist psychology, Marxist sociology, Marxist ethics, Marxist esthetics, scientific atheism, and so on) were formulated. Thus, Marxism-Leninism is an impressive scientific body. It must be understood that its core and living soul is the law of dialectical materialism and historical materialism. This is the Marxist world view and philosophy of life. People must not adhere to this or that argument relevant to the historical conditions of their time. If Marxism-Leninism is understood in that way, people will definitely think that it has a

number of specific viewpoints that are no longer in accord with today's conditions and thus begin to doubt it.

A number of people have rejected Marxism-Leninism because of the present crisis in the socialist countries. This is childish. Above all, it must be determined whether Marxism-Leninism has been implemented there in line with its functions and spiritual themes. Concerning this, almost all communists have clearly said that they admit that they have made mistakes in theoretical understanding and actual practice. Thus, is the above crisis the result of mistakes in Marxist-Leninist theory?

In order to reject Marxism-Leninism and regard it as backward, useless, and even dangerous, many people have relied on the time when this came into being. People have said that today, human knowledge has grown and gone beyond Marxism-Leninism. But like many other sciences, Marxism-Leninism has never been clouded by the age. Even though we are now far beyond the period when Marxism-Leninism came into being and even though a number of points in this theory have now passed into history, reality shows that most of the viewpoints have been consolidated and affirmed. Marx and Lenin realized that Marxist-Leninist theory was built based on previous ideas, and communists understand that in applying Marxism-Leninism, this theory must be creatively supplemented on an on-going basis. Marxist-Leninist theory must be supplemented and developed so that it can become Marxism-Leninism in the stages following Marx and Lenin. If that has not been done, is that the fault of the dead?

When talking about human knowledge, the question that must be answered is: Which knowledge? A revolutionary theory should not be put into a rigid framework with the development of information, biology, or nuclear rocket technology. That would be a dangerous mistake. If people say that theory has developed to the point where Marxism-Leninism has been overthrown, they must prove that. Today, there isn't and there can't be a better theory and so Marxism-Leninism continues to maintain its original value.

It can be said that one reason for the present crisis in socialism is that theory is undeveloped. But the civilized technological world is also threatened. There is even the danger of annihilation because theory has not kept pace with technology. The time has come to wake up to this terrible danger. The education provided students has been slanted, and the social sciences have been slighted. This has led and is leading the world toward crime and selfishness. People know a lot about technology but little about political and social matters. There is a lack of kindness, magnanimity, and altruism. Technology is destroying the environment.

In short, just because several Marxist-Leninist viewpoints are wrong or because Marxism-Leninism has a number of historical limitations, that is no reason to reject the ideological foundation of Marxism-Leninism.

If we reject Marxism-Leninism, we won't have an ideological foundation. We will no longer be communists. If we reject this, it means that we will also have to reject the socialist path and return to the capitalist path, which we have rejected.

Thus, correcting the mistakes that communists made in the past and that they continue to make today is one thing. Adhering to socialism and Marxism-Leninism is something else. Only by resolutely correcting the mistakes by carrying on renovation and adhering to socialism and Marxism-Leninism will we be victorious.

The Country on the Renovation Path

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 5, May 91 pp 58-59

[Article not translated]

On the New International Order

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 5, May 91 pp 60-62

[Article by Nguyen Trong Thu; not translated]

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Soviet Union, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTS may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTS and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTS and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be

provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTS or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735, or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301 (Telephone (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTS and JPRS publications are not available. Both the DAILY REPORTS and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.

END OF

FICHE

DATE FILMED

15 Jan - 1992